DOCUMENT RESUME

ED 456 017 RC 023 166

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TITLE Human Capital among Rural Community Leaders: An Examination of the Skills and Knowledge Contributed by Return Migrants and Newcomers "From Away" to Town Governance in a Down East Community.
PUB DATE 2001-06-00
NOTE 25p.; Revised version of a paper presented at the Annual Meeting of the Rural Sociological Society (Washington, DC, August 13-17, 2000). Originally titled "People Who Stay, People Who Return, and People from Away: Leadership and Human Capital in a Rural, Coastal Community."
PUB TYPE Reports - Research (143) -- Speeches/Meeting Papers (150)
EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Community Leaders; Educational Attainment; *Educational Needs; Governance; *Human Capital; Migrants; *Public Officials; Rural Areas; Rural Development; *Small Towns
IDENTIFIERS Maine; Newcomers

ABSTRACT

In these changing times, rural communities must be able to solve unforeseen problems, adapt to economic and social changes, and sustain their efforts into the future. Their capacity to do so is dependent on the human capital among civic leaders. This paper examines human capital among civic leaders in Herring Bay, Maine, a rural, coastal community. The 57 community leaders studied included 24 return migrants with family roots in the community and 33 relative newcomers "from away." In-depth interviews, participant observation, archival research, and case study analysis of town governance provided a portrait of the skills and abilities brought to bear on civic life by Herring Bay's community leaders. The study found that in poor, remote Herring Bay, human capital among civic leaders was not lacking. Community leaders had much higher levels of education than the general U.S. population, and also had extensive business management experience and other skills applicable to municipal administration. Returnees brought their education and experience back to their native place and were making important contributions to civic leadership. However, these leaders were lacking in the very specialized skills and knowledge needed for managing today's municipalities. Training for volunteer citizen leaders is crucial in rural places lacking the resources to hire and retain professional municipal managers. (Contains 48 references.) (SV)

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Paper Presented at

Rural Sociological Society Annual Meeting

as

"People Who Stay, People Who Return, and People From Away: Leadership and Human Capital in a Rural, Coastal Community"

August 13-17, 2000
Washington, DC

Revised June 2001

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by

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Human Capital Among Rural Community Leaders:
An Examination of the Skills And Knowledge Contributed by Return Migrants and Newcomers "From Away" to Town Governance in a Down East Community

Introduction

During the last two decades, rural America has been buffeted by changing economic, technological, and social trends. The globalization of markets, loss of rural manufacturing jobs, economic recession, farm foreclosures, and the exodus of bright young people from rural places took a toll during the 1980s (Johnson and Beale 1994; Lichter, Beaulieu, Findeis, and Teixeira 1993; Lichter, McLaughlin, and Cornwell 1994; Ryan 1988). During the 1990s, new trends and forces impacted rural communities. Economic restructuring, rapid advances in technology, and new people moving into rural communities brought new challenges and opportunities to rural places (Cromartie and Nord 1996; Dillman 1991; Fuguitt and Beale 1996; Fulton, Fuguitt, and Gibson 1997; Economic Research Service 1997). To survive in this changing context, rural communities must be able to do more than maintain basic services and infrastructure. They must be able to solve new and unforeseen problems, adapt to economic and social changes, and develop resilience to ensure that their efforts are sustainable into the future.

Human resources are a key ingredient that enable communities to develop sustainable strategies for survival and prosperity. During the 1990s, human resources in rural places increased. More people stayed in rural communities and more moved in, bringing with them both financial resources and human resources, including better education, new skills, and new ideas (Cromartie and Nord 1996; Johnson and Beale 1995).

While newcomers infuse "new blood" into rural areas (Cromartie and Nord 1996; Fuguitt and Beale 1996; Johnson and Beale 1994; Johnson and Beale 1995; Ploch 1980; Economic Research Service 1997), long-time residents are also changing. They are more educated than their parents, and in the 1990s, more rural people are finding a way to make a living at home rather than moving to jobs in urban settings (Fuguitt and Beale 1996; Fulton, Fuguitt and Gibson 1997; Johnson and Beale 1995). Many others are returning to their native communities after spending time elsewhere (Cromartie and Stack 1989; Stack 1996). In Herring Bay, a number of returnees have assumed important community roles, like the director of a regional health clinic whose training and technical knowledge are invaluable to his native community. Returnees

change their home communities when they bring back work and civic experiences gained elsewhere (Duncan 1999; Stack 1996).

The 1990s have also witnessed growing attention to sustainable development. Rural scholars and community leaders now recognize that sustainability requires more than maintenance of basic infrastructure and services such as roads and schools. Sustainable communities must also be flexible and innovative to meet the new challenges of the global marketplace. This adaptability requires human resources. Residents need to identify opportunities, solve problems, consider alternatives, develop financial capital, and launch economic initiatives. Their ability to do so depends, in part, on the human capital among civic leaders.

This paper examines the human capital among civic leaders in Herring Bay, Maine, a rural, coastal community. In Herring Bay, community leaders belong to one of two groups: return migrants whose family roots grow deep in the community and relative newcomers who have moved to Herring Bay "from away." The research presented here employs a multi-method approach that combines in-depth interviews, participant observation, archival research, and case study analysis of town governance to provide a portrait of the skills and abilities brought to bear on civic life by Herring Bay's community leaders.

Human Capital and Rural Development

Human capital research in both rural and urban areas has focused on the skills and knowledge embodied in individual workers. Human capital theory (Becker 1962) posits that individuals make rational choices regarding their investments in human capital, calculating the costs of foregoing present earnings and costs of education against the benefits of increased earnings in the future when they have improved the quality of job-related skills. Human capital theory posits that workers with weak skills due to a lack of education or work experience will be less productive at work and will therefore earn lower wages and, conversely, workers with higher levels of education and work-related experience and skills will earn higher wages. Early studies of human capital investments and earnings showed that investments in human capital are indeed positively associated with work-related earnings, giving support to human capital theory (Blaug 1976; Mincer 1974; Schultz 1961; Thurow 1969).

While human capital theory focuses on the actions of and consequences for individuals, some theorists have discussed how the combined rational choices of individuals have consequences for economic sectors, shifts in the labor force, and economic development. Schultz (1962) was among the early thinkers in this vein, suggesting that we should understand regional economic restructuring involving labor force shifts from lower to higher wage industries as the aggregate of choices made by individual workers seeking returns on their investments in skills and knowledge. Sjaastad (1962) also extended this line of reasoning by suggesting that returns to human capital investment included public as well as private benefits. Public benefits that accrue from individual investments in human capital acquisition include improved capacity for technological change and economic mobility. The idea that stocks of human capital in a place contribute to both economic and community development have become widely accepted.

Rural scholars have examined human capital stocks to explain why rural areas consistently have lower wages, higher rates of poverty, and more trouble attracting new industries than do urban areas. Household heads in rural areas have substantially lower levels of education and workforce experience than their urban counterparts and are also more likely to be poor (Jensen and McLaughlin 1995). In addition to lower educational attainment and workforce experience, the educational disadvantages of rural residents include higher drop out rates, fewer high school seniors taking math and science courses, fewer qualified teachers, and poorer quality vocational training programs (Swaim and Teixeira 1991). Poor education is one contributor to the low levels of human capital in rural areas. Migration is another. It has long been observed that those who leave rural areas for urban areas are more likely to be the best educated and skilled people (Bogue 1969; Ravenstein 1885; Ravenstein 1889). Migration trends during the 1980s followed this long established pattern, further diminishing the stocks of rural human capital (Fuguitt, Brown, and Beale 1989; Lichter, McLaughlin and Cornwell 1994). While this trend reversed in the 1990s, there is uncertainty that the reversal will continue. This is of concern to scholars and practitioners interested in rural development because selective migration trends that decrease human capital stocks in rural places impede rural development efforts (Lichter, McLaughlin and Cornwell 1994).

Yet not all rural scholars are in agreement that deficits in human capital are sufficient to explain low wages and slow economic growth in rural areas. Killian and her colleagues (Killian and Beaulieu 1995; Killian and Parker 1991) argue that non-metro areas are not taking full

advantage of the human capital currently invested in their workers—over 50% of rural workers are over-experienced for their current job. This situation is most acute among well educated workers. Given the lack of opportunity to put higher levels of human capital to work productively in rural places, it is understandable that rural individuals considering whether or not to invest time and money in acquiring more human capital would make a rational choice not to do so. Stallmann and associates (Stallmann, Mwachofi, Flora, and Johnson 1995) argue that the willingness of individuals to make human capital investments is tied to the labor market. They observe that areas with a higher percent of the labor force in managerial occupations have lower drop out rates. There is considerable debate regarding whether low stocks of human capital or the structure of the rural labor market best explain why rural workers earn less and economic development is harder to achieve in rural areas. Lichter and colleagues suggest that a clear unidirectional causal argument cannot be made. "Low rural wages compound the rural poverty problem by reducing incentives to invest in additional education and job training, which ultimately reinforces their disadvantaged position. Low income and low human capital are thus inseparable and self-reinforcing in rural areas" (Lichter, Beaulieu, Findeis and Teixeira 1993:60).

Debates regarding the exact nature of the relationship between human capital and wages have been accompanied by debates over how best to measure human capital. Beaulieu and Mulkey (1995) remark that, thus far, human capital researchers have most often measured human capital in years of schooling. "It could be argued," they contend, "that the knowledge, skills, and experiences that one acquires is as much a product of the quality of education received as it is the duration of time spent in school" (p. 5). Other scholars argue that on-the-job training is a better measure of human capital than formal education (DeYoung 1989; Thurow 1983). As more attention has been paid to rural development, scholars now point out that other forms of human capital, including specialized leadership skills, community building skills, and problem identification skills, may be particularly important for rural community development (Hobbs 1995; Mulkey and Beaulieu 1995). Indeed, recent work has shown that people with higher levels of human capital are more likely to participate in community volunteer work in local politics, schools, and community service organizations (Wilson and Musick 1997), which impact community development.

While rural scholars have not agreed upon the specific relationship between human capital and development, we should not abandon believing that human capital matters to rural

communities. The lack of consensus "does not negate the increased and expanding importance of an educated and skilled labor force to maintain community competitiveness and to allow rural residents to achieve their full potential as productive citizens" (Mulkey and Beaulieu 1995:375).

While much of the work to date on stocks of human capital in rural areas has focused on human capital and the labor force, it is clear that the stocks of human capital among rural leaders will also have an impact on community development. Hobbs (1995) and Mulkey and Beaulieu (1995), among many others have argued that community productivity requires not only work-related knowledge and skills, but also individual leadership capacities. Competent leaders and community volunteers possessing technical, financial, and organizational skills are necessary for building community capacity (Gittell and Vidal 1998) and successfully launching rural development initiatives (Winter 1996). Luloff and Swanson (1995) argue that the ability to mobilize collective community resources is crucial to rural development. They refer to this ability as "community agency," which is the "ability of a community to act in addressing specific locale-oriented needs … to manage, utilize, and enhance those resources available to them" (p. 352). This ability relies on the skills of local leaders to identify problems, corral resources, and coordinate action.

Both business leaders and scholars are concerned that selective outmigration of educated young people from rural areas depletes the supply of potential community leaders (Flora and Flora 1993) and that low levels of human capital in rural areas might not provide competent leaders (Israel and Beaulieu 1990). Moreover, Israel and Beaulieu (1990) highlight four contemporary trends affecting rural America that further impair the abilities of rural governments and leaders to function effectively. Those forces are: increased fiscal stress from reductions in revenue sources, increased costs associated with mandated programs and services, limited access to qualified support personnel and technical assistance, and difficulties retaining elected public officials as community leaders. Given the convergence of trends that deplete human capital supplies, siphon off potential leaders, and increase the need for highly competent leaders, Israel and Beaulieu ask, "is there any assurance that rural communities can act on issues that are critical to their overall well being?" (Israel and Beaulieu 1990:183).

Clearly, competent community leadership is critical for rural community development. An assessment of leadership skills and capacities is essential to understanding how rural communities are coping with the multiplicity of challenges they face in the 1990s. The work in

human capital reviewed here suggests that more attention needs to be paid to the stocks of human capital among rural leaders. It also suggests that such studies should conceptualize human capital more broadly to encompass formal education, on-the-job training, and specialized leadership skills and capacities. Such work should also pay attention to how well the skills and abilities of local leaders match the requirements of their civic role. Moreover, the data on rural migration trends suggest that natives, returnees, and in migrants from away might make different contributions to stocks of human capital among community leaders. Understanding the different contributions that each group makes and the extent to which their skills and abilities are put to use in the community is important to understanding stocks of human capital among rural leaders. This study provides a contribution toward that end by capturing multiple aspects of human capital and examining how different types of human capital are actively being used in Herring Bay by leaders from three demographic groups—natives, returnees, and people from away.

Methodology

In this study, I define community leader broadly to include not only elected and appointed officials but also town and school employees in key decision-making roles, influential business owners, past officials who still hold reputational power or influence, and volunteers engaged in a variety of community improvement projects. I conducted in-depth interviews with 57 community leaders during the summers of 1998 and 1999. The in-depth interviews included the following topic areas: demographic information; migration history; education, work, and training experiences; civic engagement and civic roles and the skills and knowledge required in those roles; major challenges facing the community; and vision for the future.

In addition to interviews, I conducted participant observation over a period of four months during 1999 when I lived in Herring Bay. I attended town and school meetings, volunteer project committee meetings, and community events. I "hung out" in places where community leaders gather and town affairs are discussed and debated informally—coffee shops, convenience stores, the town office, and other public spaces. Extensive field notes on both the interviews and participant observations were entered into a computer software program designed specifically for qualitative analysis, NVivo. The interviews were taped and later transcribed and entered into NVivo.

I coded the text data in NVivo for the different types of skills and knowledge held by each leader and for how the human capital was acquired—through formal education, work experience, on-the-job training, other training, or learn by doing. I also coded each interview for instances that demonstrated human capital being applied to community affairs and examples that demonstrated a lack of specific skills or knowledge needed in a position. In conjunction with the coded text, I developed an attribute table that contained demographic information on each person, a list of the civic positions each held, occupations, and a summary of the human capital each held. Both the coded text and the attribute table were sorted and queried to identify patterns and develop themes.

Herring Bay

Herring Bay is a small, coastal, fishing community of 1,623 people situated in Downeast Maine, between Bar Harbor and the Canadian border. During the 1990s, Maine's fishing communities faced serious challenges: the collapse of their traditional resource base, the globalization of markets, rapid advances in technologies, and the pressures associated with an influx of people from away. Like many resource dependent communities, Maine's rural, coastal communities, including Herring Bay, are places on the cusp of decline or revitalization. Downeast Maine is among the "forgotten places" (Lyson and Falk 1993) where rural turnaround trends of the 1990s have had little impact. Economic growth was slow and unemployment remained high (Economic Research Service 1998a). Yet life is changing in Downeast Maine. Between 1970 and 1990, the proportion of adults with a high school education increased from 45% to 73% (U.S. Bureau of the Census 1973; U.S. Bureau of the Census 1994) and net in-migration during the 1990s raised per capita incomes by $50 (Economic Research Service 1997).

However, Herring Bay has lagged behind the region. There are still proportionally fewer high school graduates in Herring Bay and only 13% of Herring Bay residents have a college degree, compared to 17% in the region and 20% nationally. The median household income in Herring Bay is just slightly over half the U.S. median income and its poverty rate is the highest in Downeast County. The population in Herring Bay has proportionally few younger and working age people and proportionally more people over age 65. Working age people in the labor force experience a high level of unemployment. Many of Herring Bay's houses are vacant

and boarded up or very run down and, despite a recent upswing in property sales, its real estate values remain below those of Downeast County as a whole.

Herring Bay was not always so downtrodden. During the beginning of the twentieth century, Herring Bay was a thriving community of 3,000 people. Jobs in the shipping industry, fishing, and fish processing plants sustained high levels of employment. A thriving merchant community was sustained by the workers who had money to spend. One long-time resident described Herring Bay in its heyday, "The streets were so crowded on Friday night, you could hardly walk." During this period, the elected and appointed leaders in Herring Bay were drawn from the merchants and professionals and from among the owners and managers of the fish processing plants. By most accounts, these educated and skilled managers ran civic affairs competently. However, between 1950 and 1970, Herring Bay took a turn for the worse. The market in smoked and canned fish tumbled and all but two of the fish processing plants closed. Much of the working age population left town to seek work in southern Maine, Massachusetts, and Connecticut. The skilled managers and business owners who had served in public office left to find work elsewhere.

Just as many of the town's most educated and skilled people were leaving, the town was faced with new administrative challenges. During the 1950s, a new elementary school and gymnasium were built as the existing school buildings were no longer serviceable. During the 1960s new state and federal mandates increased the town's administrative and financial burdens: a new state school accreditation law mandated that Herring Bay improve its schools' permanent record keeping, lighting, heating facilities, and lavatory equipment and eventually necessitated the construction of a new consolidated school; state law required that the town establish a planning board and board of appeals and develop a comprehensive master plan; new state standards prohibited the discharge of raw sewerage into coastal waters. By the mid 1970s, the town office manager commented, "We are presently being confronted with Shoreland Zoning, Solid Waste Management, Flood Insurance, Assessment Districts, and the Food Stamp program, which puts increasing demands on the administration department" (Town of Herring Bay, 1975). During the 1980s and 90s the town had to close the dump and truck its waste to a regional transfer station, construct a wastewater treatment plant, purchase computers for the town office, and change its accounting practices to come into compliance with federal revenue sharing guidelines.

Meeting these new challenges was not without problems. From 1970 on, town reports are sprinkled with notes from the auditor regarding accounting practices that are out of compliance with standard municipal accounting practices. The town was sued for various labor violations. The police department came under fire for lack of proper training and mismanagement. The town was found out of compliance in both its low income housing and general assistance programs. The new sewer project was fraught with design, construction, and financial problems, as was the new marina. Today, both the school and the town are named parties in multiple law suits and a recent audit rendered an adverse opinion on the town's financial accounting.

When I asked community leaders and residents in Herring Bay how the town had gotten into such a mess and why similar mistakes seemed to occur repeatedly, their replies could be grouped under the banner "Lack of Competent Leaders."

Comments about the town selectmen included:

> *They didn't have the skill level. They didn't mean to do wrong.*
>
> *Why haven't they hired an experienced town manager with some knowledge of how to run the town? And give the employees some money and train them. I don't even go to town meeting. I get so upset. They don't do anything right.*
>
> *I think that they were there doing what they thought was the right thing. They were just incompetent bumblers.*

Comments on town managers included:

> *The [town] managers . . . most of them, the young ones, who would come in here, this would just be a first step, you know. Well, they were just getting a year's experience and it was their intention to keep on going up the ladder and they could only go so far here. Never, never paid them enough [to keep them].*
>
> *We get people with lack of experience, or we get people with bad experiences in the past who are looking for some place to light. Most of them, the new ones, are coming here for just a year or two to build up their resume so they can go somewhere else. That's reality.*

Human Capital Among Herring Bay Leaders

This assessment by citizens calls for a detailed investigation into the knowledge and skills of Herring Bay Leaders. As Table 1 shows, the civic leaders in Herring Bay are better educated than the U.S. population and far better educated than their Herring Bay neighbors. Only 13% of all adults over age 25 in Herring Bay have college degrees, whereas 57% of the community leaders have completed at least four years of college. The median level of education for the entire group of civic leaders is some post high school education, yet there is a wide range of educational achievement, ranging from less than high school to doctorate degrees.[1] As the last two columns show, a high proportion of newcomers from away, 61%, have completed college as compared to native returnees, of whom 29% have completed college. However, it is noteworthy that such a high proportion of returnee civic leaders are college educated, especially compared to the population in Herring Bay. Clearly, civic leaders in the community, both newcomers and returned natives, have high levels of educational attainment. Yet a more detailed look at the leaders serving specifically in town government is necessary to investigate the perception that town officials lack the knowledge and skills necessary to run the town competently.

Remember that I have defined community leader quite broadly to include influential

Table 1. Educational Attainment of Community Leaders Compared to U.S. Population and Herring Bay Population

	US	Herring Bay	Civic Leaders Total Sample	Civic Leaders Native Returnees	Civic Leaders People from Away
% Adults Over Age 25 High School Graduates	75%	71%	98%	100%	97%
% Adults Over Age 25 College Graduates	20%	13%	57%	29%	61%

[1] Table A, a more detailed breakdown of levels of educational attainment for the entire sample and the two subgroups is provided as an attachment.

business people and community betterment project volunteers as well as town and school officials. People from away are most likely to work on community improvement projects while native returnees are most likely to be serving as officials in town and school governance. Table 2 focuses on town selectmen[2]—recent past, present, and aspiring future. Although people from away make up 58% of the total sample, they represent only 22% of the selectmen group.

Natives are still a majority of Herring Bay's population, and they have historically shown a strong preference for electing and hiring local people. Returnees, whose families are rooted in Herring Bay, are generally more accepted as public officials than are people from away. Returnees bring with them almost as much formal education as people from away to municipal leadership. In addition, they have experienced more formal governance structures and procedures elsewhere and bring that experience with them to their public role. Thus, return migrants provide an important source of human capital for municipal governance in Herring Bay. Table 2 provides a more detailed look at the human capital that selectmen bring to their positions. Of the selectmen profiled here, 55% have at least some post high school education. However, only 27% have attained a college degree—a lower level of overall educational attainment than both the sample of civic leaders and the subgroup of returnee civic leaders. This indicates that selectmen bring less human capital derived from formal education to bear on their civic activities than do the broader group of Herring Bay's community leaders. Those that have post high school education have not followed courses of study that directly prepared them for municipal governance, so they are, indeed, lacking in formal education directly pertinent to their civic role. This lends some support to the concern among rural scholars that key decision-makers in rural communities might be lacking in human capital. Still, the selectmen profiled here have higher levels of educational attainment than in the national population. In addition, nearly all of the selectman have work experience as either sole proprietors of their own business or as managers. Indeed, some have been very successful and have acquired finely honed skills in accounting, budgeting, financial management, staff supervision, labor negotiations, and other areas of expertise that apply to managing a small town. However, their collective experience is limited to the business world, not to the world of municipal law and finance. In business, managers can make unilateral decisions and can appropriate funds as needs arise. Every decision

[2] One town selectman declined an interview and is not included here.

Table 2. Human Capital Among Herring Bay Selectmen, Including Recent Past and Aspiring Future Office Holders

	Formal Education	Work Experience	Other Training/Expertise
Former Selectman (Returnee)	High School	Owns Bottle Redemption Center	Mechanics, Soil Testing
Former Selectman (Returnee)	Post High School (Liberal Arts)	Owns and Manages Local Wholesale/Retail Business	Owned Bakery Businesses
Former Selectman (Returnee)	HS	Park Grounds Keeper	Owned Construction Company
Former Selectman (From Away)	HS	Town Manager	Owned Farm
Selectman (Returnee)	Post High School (Veterinary Studies)	Owns Low Income Housing Projects	Administration of General Assistance Programs
Selectman (From Away)	BA, English and History	Owns Large Property Development Company	Financial Management
Selectman (Returnee)	High School	Retired Military, Retired Steel Worker	Public Speaking, OSHA Compliance
Selectman (Returnee)	High School	Retired Military, Retired Restaurant Owner	
Selectman (Returnee)	BS, Agronomy	Retired Insurance Investigator	Owns Trucking Business
Aspiring Selectman (Native)	Post High School, Machine Trades	Retired Regional Supervisor	
Aspiring Selectman (Returnee)	Ph.D., Asian Studies	Retired Foreign Services	College Instructor

is not a matter of public record nor is it bound by specific legal procedures or federal and state mandate. Running a town in the same manner that one runs a business can lead to problems. For example, if the photocopy machine breaks down, the small business owner can simply authorize the purchase of a new one; if the town photocopy machine breaks, the selectmen cannot simply authorize the purchase of a new one, unless it has been budgeted in the town warrant and approved by the voters. If the copier breakdown is a completely unforeseen event not covered in the budget, the selectmen must hold a special town meeting to ask the voters to authorize the purchase of a new machine.[3] Selectmen work under a set of constraints very different from those under which a business owner operates.

Table 2 shows that while the selectmen have extensive experience that relates to business management, they have no specialized training for municipal management—with one exception. One selectman attended specialized training to learn to manage the town's general assistance program and bring it into compliance so that Herring Bay would not lose it's general assistance funding from the state. That program has been running smoothly since, indicating that selectmen chosen from the lay populace can run town affairs competently when they receive the specialized training that they need.

Given that so few selectmen had received specialized training in municipal management, I asked them, other town officials, and town office staff members how they had learned to fulfill their duties. Their responses can be typified as "Learn by Doing." Comments made by a few town officials demonstrate this method of training.

> *"Nobody develops them* [the skills needed by selectmen]. *Just go and do it, that's all. But, it's getting, with all these state mandates and all the regulations and planning boards and all that, I believe that in our position, they should have some sort of training, but it's never happened. I don't expect they will."*
> - Selectman

> *"A lot of it's learn by doing. One of the first things that I had to do when I took over here was the automatic foreclosure for the '96 tax liens. Well, I didn't have a clue how that was supposed to be done. You know, it's a very legal, exact process. And if you make a mistake along the way, the whole thing's invalid. So it was, I*

[3] This example relates the specific situation in Herring Bay where voters have not passed a warrant article authorizing selectmen to move funds from one account to another. Other towns might choose to give their elected officials the ability to move funds between accounts within the approved budget, to respond to emergencies.

mean, a rushed learning experience. A lot of digging, a lot of research, a lot of calls to Maine Municipal Association and everybody else."
- Town Office Worker

"When I went on [the Planning Board], *they asked me to be on it and I said, I don't know anything about this, I've never attended a planning board, and they said, as we go along, you will learn. Now, as they bring out their maps and everything and I ask questions about it, then I find out. And like the 'footprints' – I didn't understand what that was at first, and the '250 feet' and things like that."*
- Planning Board Member

Selectmen told me that they relied on the town manager for guidance and training. However, over the years, Herring Bay's expenses have grown as its tax base has disappeared, leaving little in the town budget to pay qualified, experienced town managers. This, coupled with the preference among Herring Bay officials to hire local people, meant that many town managers came from the pool of educated business people in the Down East region. Only a few of Herring Bay's town managers were trained specifically for municipal management, and those that had training, had little experience when they came to Herring Bay. Moreover, there has been little money available to send municipal staff, once hired, for specialized training. The Maine Municipal Association does offer training sessions and conferences for both office staff and public officials, but these sessions have a cost and are generally held in the state capital, a several hour drive from Herring Bay. Additionally, training is a recurring expense, not a one-time investment, since selectmen are elected for three year terms[4] and the office staff turnover rate has been high[5]. Neither selectmen and office staff were aware of free or inexpensive training available to them locally. Thus, specialized training is not easily acquired by elected officials in rural towns with very limited resources.

To summarize, the leaders in rural Herring Bay are not critically lacking in human capital when human capital is measured by level of educational attainment. Indeed, they are more highly educated than the U.S. population, by far. Key municipal decision-makers have pertinent management skills and expertise that they bring to bear in their civic role. The human capital that is missing among the town's selectmen is the specialized training needed for managing

[4] Some selectmen do run for consecutive terms and remain in office for a number of years. However, it has not been uncommon in recent years for selectmen to fail to finish even one term.

complicated municipal budgets, complying with a myriad of ever-changing state and federal regulations, and understanding the legal liabilities inherent in public roles.

Discussion

The contributions of returnees to their native places has been highlighted in other studies of rural places, most notably in the work of Carol Stack (1996) and Cynthia Duncan (1999). This study of Herring Bay has demonstrated the importance of returnees to rural leadership; the returnees in Herring Bay make a significant contribution to the stocks of human capital available for community leadership. A number of young people who left during the period 1950-1970, are now financially secure and able to return to Herring Bay to care for older family members, enjoy early retirement, or start a second career. If more retirees from this cohort choose to return to Herring Bay, the human capital stocks in the community could continue to increase. Moreover, as new returnees are accepted into municipal leadership roles they will continue to increase the stocks of human capital among Herring Bay leaders. Still, even with their high levels of education and experience, they the lack specific skills and knowledge needed to stay abreast of the requirements of public officialdom.

Herring Bay is not unique in its lack of specialized training. The "Learn By Doing" method of training lay people as public officials is common throughout Maine and in many other regions as well. Indeed, New England has a strong tradition of electing volunteer citizens to run public affairs and trusting that they have the knowledge and abilities to do so competently. However, as public management has become more complicated, specialized training for public officials has become more of a necessity. The high turnover rate among both paid and volunteer leaders, the increase in regulations and mandated programs, and the increased devolution of governance tasks to local municipalities makes learn by doing an inefficient and ineffective means of training. Yet, for small, remote towns with few resources, specialized training is not feasible. Consequently, Herring Bay and other rural towns find themselves in legal and financial trouble more often than they would like.

In Herring Bay, citizen leaders rely on the skills and knowledge of the administration and development professionals they hire to avoid such trouble as well as to sustain the community

[5] The average tenure of town managers in Herring Bay since 1950 has been 1 ½ years.

and affect improvement. This reliance suggests that the need for skilled community development professionals will continue to increase in rural areas and the role of the community professional will continue to grow in importance as governance and development challenges expand. Yet, if participatory democracy and volunteer citizen governance are to be preserved in places like Herring Bay, citizens cannot simply consign the work of governance to paid professionals. Citizen leaders will need to forge working partnerships with professionals and will need to critically evaluate the skills, knowledge, advice, and guidance provided by paid professionals. To achieve this new kind of participatory governance, citizen leaders will need specialized training and consultation available to them in or near their communities at an affordable cost. Training and consultation might be delivered through existing structures, for example, Cooperative Extension. Indeed, some states do have civic leadership training available through the Cooperative Extension service. Another way to boost the expertise available to poor, rural towns is to make it possible for them to attract better trained town managers and community development practitioners. One possible way to accomplish this would be to develop a program that forgave college debt in exchange for four years of service in a town designated as under-served, similar to programs available to doctors and teachers who choose to work in under-served regions or specialties.

Conclusion

This study has shown that in poor, remote, rural Herring Bay, human capital among civic leaders is not lacking. The community leaders in Herring Bay have much higher levels of education than does the general population. While only 20% of the U.S. population are college graduates, 57% of Herring Bay leaders hold a four year college degree. They also have extensive business management experience and other skills that are applicable to municipal administration. This indicates that human capital among rural leaders may not be as lacking as some researchers fear. More studies of leaders in rural places are needed to develop a better picture of human capital stocks among rural leaders.

In addition, closer attention to returnees in rural places is warranted. In Herring Bay, returnees are making important contributions to civic leadership and they bring their education

and experience back to their native place with them. We do not know to what extent the rural rebound of the 1990s has been made up of returnees, nor do we know if the rural rebound will continue into the 21st century. However, returnees could continue to have an impact on rural places if returnees are readily accepted into leadership positions and bring high levels of education and pertinent experience with them, as is the case in Herring Bay.

The less positive findings of this study indicate that rural leaders are lacking in the very specialized skills and knowledge needed for managing municipalities in today's world. They do not have training in legal liability issues, monitoring complicated municipal finances, managing mandated programs and grants, and complying with a bevy of constantly changing state and federal regulations and procedures—just a few of the tasks municipal officials must handle. In rural places lacking the resources to hire and retain professional municipal managers, getting this training for volunteer citizen leaders is crucial. If we are to preserve grass roots participatory democracy and volunteer citizen governance in rural places, then this issue must be addressed.

Attachment

Table A Educational Attainment of Civic Actors

	Total Sample N = 57	Native Returnees N = 24	Newcomers From Away N=33
Less Than High School	1 (2%)	0 (0%)	1 (3%)
High School	16 (28%)	11 (46%)	5 (15%)
Post High School	14 (25%)	6 (25%)	7 (21%)
Bachelor Degree	12 (21%)	3 (13%)	9 (27%)
Master Degree	12 (21%)	3 (13%)	9 (27%)
Doctorate Degree	3 (5%)	1 (4%)	2 (6%)

High School includes GED
Post High School includes AA Degrees, Technical Training Programs, and College Course Work
Doctorate includes Ph.D., M.D., J.D.

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